

May 23, 1973

property tax and a reduction of 2% then would bring these two sources of revenue back in line. The, I think it's worthy to note that certainly the taxpayer can make use of these funds, see no point in them laying in the State Treasury for future use, certainly the intent at the time the sales income tax was passed and the manner in which the rates are set, it was intended that we use no more funds or take no more funds from the taxpayer than what was necessary for the operation of State Government and it seems to me if we can provide the citizens with, in effect, a refund, that this is a proper action for this body to take and I would suggest that this amendment be adopted to provide some real tax relief in terms of total dollars collected to the taxpayers of Nebraska.

PRESIDENT: Chair recognizes Senator Cavanaugh, then Senator Keyes, then Senator Syas.

SENATOR CAVANAUGH: Mr. President and Members of the body. Mr. President, I have an amendment up there also which I think could be considered an alternative amendment. I don't, how, would it be proper to take that up at this time in conjunction with Senator Warner's amendment?

PRESIDENT: Not really. I presume the only way you could handle it, you might ask some questions of Senator Warner back and forth. I don't know how else to suggest.

SENATOR CAVANAUGH: Well the only, the only effect of my amendment is to transfer from the State Board of Equalization and Assessment, the responsibility for setting the taxes permanently to the Legislature since Senator Warner, I would, I would feel, might agree with this. If we're going to set them this year we should have that responsibility continuously. I think it's actually a legislative function and that's the primary effect of my amendment. The reduction from 15 to 13% of the income tax is also included in my amendment so there's no, no difference from that, from that issue between my amendment and his amendment. The only, the only, mine is an extension in that Senator Warner's would set the rate for January 73 and mine would transfer the responsibility permanently to the Legislature for all time to set the tax rates so--Senator Warner, would you--

PRESIDENT: Well, one sets authority and the other--what sets rates. I can see the interdependence here. They actually are separate motions.

SENATOR CAVANAUGH: Well the rates are the same as the rate is also set in mine. It's, it's a reduction to 13%.

PRESIDENT: Well, see if Senator Warner cares to respond. Senator Warner.

SENATOR WARNER: Well, Mr. President. I would assume that if the body does not wish to adopt this amendment, why then Senator Cavanaugh can offer, offer his. I would, seem proper that this one is considered.

PRESIDENT: Chair agrees.

SENATOR CAVANAUGH: Well, I think, if--well, I'll let that go.

PRESIDENT: Why don't you just stand by. Let's see what happens here. Senator Keyes is next, then we're talking about Senator Warner's amendment no 2 here.